

UAC INSURANCE MUTUAL

April 19, 1996, 9:00 a.m.

UAC Offices

Salt Lake City

Board of Directors Meeting

9:00	Call to Order	Gary Herbert
	Review of Board Members Absent	Gary Herbert
	Approval of March 21, 1996 Minutes	Gary Herbert
	Director's Report	Brett Rich
	Loss Prevention Report	David Nelson
	Brokers Report	Jess Hurtado Keri Chappell
	Set Date & Time for Closed Meeting to Discuss Pending or Reasonably Eminent Litigation	
10:00	Adjourn	

Board of Directors Broker Interview Process

10:00	AON Risk Resources, Jess Hurtado
11:00	Galagers, Rich Stokluska
12:00	Lunch Break
12:30	Johnson & Higgins, Jay Hill
1:30	Mack & Parker, Jay Odice
2:30	Break
3:00	Willis Corroon, Mike Croke



UTAH ASSOCIATION
OF COUNTIES
INSURANCE MUTUAL

UAC INSURANCE MUTUAL MINUTES, BOARD OF DIRECTORS MEETING

April 19, 1996, 9:00 a.m.
UAC Offices

**Board
Members
Present:**

Gerald Hess, *Vice President*, Davis County Deputy Attorney
Sid Groll, *Comptroller*, Cache County Sheriff
Curtis Dastrup, Duchesne County Commissioner
Sarah Ann Skanchy, Cache County Council Member
Gary Sullivan, Beaver County Commissioner

**Board
Members
Absent:**

Gary Herbert, *President*, Utah County Commissioner
Robert Gardner, *Secretary*, Iron County Commissioner
Ken Brown, Rich County Commissioner
Ty Lewis, San Juan County Commissioner

**Others
Present:**

Kent Sundberg, Utah County Deputy Attorney
Brent Gardner, UACIM Administrator
Brett Rich, Director, UACIM
David Nelson, Loss Prevention Manager
Sonya White, UACIM Administrative Assistant
Jess Hurtado, UACIM Broker
Keri Chappell, UACIM Broker
Doug Alexander, UACIM Claims Manager

CALL TO ORDER

Gerald called the meeting to order and welcomed those in attendance.

REVIEW OF BOARD MEMBERS ABSENT

Robert and Ty traveled to Salt Lake for the Board meeting yesterday by mistake and requested to be excused today. Gary Herbert phoned and said that he had the time of the meeting written down incorrectly and will not be able to attend. During the meeting, Ken phoned that he would be unable to attend. Ann made a motion to excuse Robert, Ty, and Gary from the meeting and request an explanation from Ken as to why he was unable to attend. Sid seconded the motion and the motion carried. Ann explained to the Board that as chairperson of the Cache County Airport Authority Board, she was required to attend an Aeronautic Division meeting as well as an IHC meeting and was unable to travel to St. George to attend the UACIM Board meeting in March. Sid made a motion to excuse Ann from the March 21st Board meeting. Gary Sullivan seconded the motion and the motion carried.

REVIEW AND APPROVAL OF MARCH 1996 MINUTES

The minutes from the March 21, 1996, Board meeting were previously sent and reviewed by the Board. Gary Sullivan made a motion to approve the minutes as written. Sid seconded the motion and the motion carried.

At the March meeting, Brett and Doug were directed to obtain an opinion from Baird Morgan on claim number 801UTA967005. Brett explained that an opinion was received from Kurt Hamby of Toplis and Harding, who stated UACIM should defend this case. Doug explained that he spoke with Baird Morgan who stated that personal injury/civil rights, under a non-waiver of reservation of rights, will most likely need to be defended by UACIM. Therefore, the case has been assigned to a defense attorney.

At the March meeting, Brett and David were directed to schedule a joint meeting with the Sheriff and the Board. Brett explained that he attended the March 27th meeting of the Sheriffs Association and set up a date to meet with Sheriff Bateman. Brett, Brent and Sheriff Bateman met and discussed the relationship with the Sheriff's Association and UACIM. Brett will arrange to briefly review UACIM activities and items of interest to the Sheriffs at the monthly Sheriffs Association meetings. Once the Sheriffs are more familiar with UACIM's activities, the Board will schedule a joint meeting.

DIRECTOR'S REPORT

Insurance Department: Brett reported that the response to the Insurance Department was delivered on March 29th. Brett met with Doug Green and C.K. Anderson at the Department that day and discussed the plans of UACIM using the program which was presented by AON. They have reviewed the response and a meeting with Brett and the Insurance Commissioner will be scheduled to review the response prior to a formal hearing.

Actuarial Report: Pursuant to the March Board meeting, Brett is continuing to work with AON to correct the claim history data so the actuaries can more accurately analyze the calculations of claims development. Brett has a list of approximately 95 claims that were affected by the accounting error. A month by month adjustment of total incurred for these claims will give the Board and the actuaries a more accurate picture of historical claims development.

Financials and Losses: Brett explained that the March financial statements have not been received for the Board's review. Those will be mailed to the Board prior to the next Board meeting. Losses, for the month ending March, are continuing to remain level for 1992, 1993 and 1994 claims. In the first three months of 1996, the 1995 claims have increased from \$460,000 to \$650,000 due, in part, to several auto claims. 1996 total incurred for claims, approximately \$120,000, are close to average of each past year.

Broker Interview Schedule: Brett reviewed with the Board a schedule of interviews of those brokerage firms that have responded to the RFO. The schedule for today is as follows: 10:00-11:00 AON Risk Resources, 11:00-12:00 Gallaghers, 12:30-1:30 Johnson & Higgins, 1:30-2:30 Mack & Parker, 3:00-4:00 Willis Corroon. Sid made a motion to appoint Gerald, Sid, Ann, Gary Sullivan, Kent, Brent and Brett as the committee to interview the brokerage firms and select two firms by Tuesday, April 23rd to participate in the RFP.

LOSS PREVENTION REPORT

David reviewed his written report with the Board (see attachment #1). David has completed risk reviews for Uintah, Millard, Duchesne and Sevier Counties and has mailed the county's recommendations generated from those reviews. Concerns from several officials in Millard County arose from a training session David conducted during the county's risk review. The Board discussed these concerns and directed David to restructure the short training sessions to be more intense and productive for the officials and employees attending. David met with San Juan County's Accident Review Board to assist and advise the Board in their function.

SET DATE & TIME FOR CLOSED MEETING

Ann made a motion to set the date and time for closed meeting at 9:45 a.m. April 19, 1996, to discuss pending or reasonably eminent litigation. Gary Sullivan seconded the motion and the motion carried.

Sid made a motion for the Board to end the closed session. Gary Sullivan seconded the motion and the motion carried.

Ann made a motion to ratify the motion made in a telephonic conference on April 9, 1996, authorizing the remaining final settlement of claim number 8011RO947005 in an amount of \$15,000. Gary Sullivan seconded the motion and the motion carried.

OTHER BUSINESS

The next meeting of the UACIM Board of Directors will be at 10:00 a.m. on the 30th of May 1996, at the UAC Offices. Ann made a motion to adjourn. Gary Sullivan seconded the motion and the motion carried.

